

Executive Director

4 December 1947

Executive for A&M

Machine Cost for Reference Center Operation

1. A portion of the function of the Reference Center is to prepare and distribute accession lists of intelligence documents, and to provide bibliographies of available material upon request.

2. Three methods of machine operation have been considered to meet these functions, and it has been determined that a combination of Finch and IBM machines can be utilized most efficiently and with an overall saving of approximately \$400,000 a year in operating costs.

3. The Finch machines to be used in this operation in coordination with certain IBM equipment require some further engineering costs in development to meet our special problem. This will be essentially a first year cost and will amount to approximately \$92,000 in excess of our 1949 budget estimate for this purpose. Vouchered funds are now available to cover these engineering costs.

4. Recommend authorization for the expenditure of approximately \$92,000 in this fiscal year for engineering costs in developing Finch equipment to meet our needs. As vouchered funds can be used for this purpose, Project Review Committee action is not required. I have authorization to take final action in cases of this nature, but in view of the initial amount involved I am requesting your concurrence.

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Executive for
Administration and Management

Document No.	354 51
No Change in Class.	X
<input type="checkbox"/> Declassified	
Class. Changed To	
Auth.: HR 701	
Date: 30 2 28	By: 225